

Adopted	Rejected
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COMMITTEE REPORT

YES:	11
NO:	0

MR. SPEAKER:

*Your Committee on **Labor and Employment**, to which was referred House Bill 1547, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 3, between lines 1 and 2, begin a new paragraph and insert:
- 2 **"Sec. 10.2. (a) As used in this chapter, "military equipment"**
- 3 **means weapons, arms, or military defense supplies provided**
- 4 **directly or indirectly to any force of a state sponsor of terror. The**
- 5 **term includes any equipment that readily may be used for military**
- 6 **purposes, including:**
- 7 **(1) radar systems; or**
- 8 **(2) military grade transport vehicles.**
- 9 **(b) The term does not include weapons, arms, or military**
- 10 **defense supplies sold to peacekeeping forces that may be**
- 11 **dispatched to a state sponsor of terror by the United Nations or the**
- 12 **African Union.**
- 13 **Sec. 10.4. (a) As used in this chapter, "mineral extraction**
- 14 **activities" means the exploration, extraction, processing,**

transporting, or wholesale sale of elemental minerals or associated metals or oxides, including:

- (1) gold;
- (2) copper;
- (3) chromium;
- (4) chromite;
- (5) diamonds;
- (6) iron;
- (7) iron ore;
- (8) silver;
- (9) tungsten;
- (10) uranium; and
- (11) zinc.

(b) The term includes the facilitation of mineral extraction activities, including the provision of supplies or services in support of mineral extraction activities.

Sec. 10.6. (a) As used in this chapter, "oil related activities" includes:

- (1) the export of oil;
- (2) the extraction of or production of oil;
- (3) the exploration for oil;
- (4) the ownership of rights to oil blocks;
- (5) the refining or processing of oil;
- (6) the transportation of oil;
- (7) the selling or trading of oil; or
- (8) the construction or maintenance of a pipeline, a refinery, or another oil field infrastructure.

(b) The term includes the facilitation of oil related activities, including the provision of supplies or services in support of oil related activities. The mere retail sale of gasoline and related consumer products is not considered an oil related activity.

Sec. 10.8. As used in this chapter, "power production activities" means any business operation that involves a project commissioned by a state sponsor of terror whose purpose is to facilitate power generation and delivery. The term includes the following:

- (1) Establishing power generating plants or hydroelectric dams.
- (2) Selling or installing components for power generating

plants or hydroelectric dams.

(3) Providing service contracts related to the installation or maintenance of power generating plants or hydroelectric dams.

(4) Facilitating power production activities, including providing supplies or services in support of power production activities."

Page 3, delete lines 15 through 42.

Page 4, delete lines 1 through 4.

Page 4, between lines 4 and 5, begin a new paragraph and insert:

"Sec. 13. (a) As used in this chapter, "scrutinized company" means a company that meets any of the following criteria:

(1) Both of the following apply to the company:

(A) The company has business operations that involve contracts with or the provision of supplies or services to:

(i) a state sponsor of terror;

(ii) companies in which a state sponsor of terror has any direct or indirect equity share;

(iii) consortiums or projects commissioned by a state sponsor of terror; or

(iv) companies involved in consortiums or projects commissioned by a state sponsor of terror.

(B) Either:

(i) more than ten percent (10%) of the company's revenues or assets is linked to a state sponsor of terror involve oil related activities or mineral extraction activities; or

(ii) more than ten percent (10%) of the company's revenues or assets is linked to a state sponsor of terror involve power production activities.

(2) The company supplies military equipment to a state sponsor of terror, unless the company implements safeguards to prevent the use of the equipment by forces actively participating in an armed conflict in a state sponsor of terror. This subdivision does not apply to companies involved in the sale of military equipment solely to any internationally recognized peacekeeping force or humanitarian organization.

(b) The term does not include a social development company."

1 Page 7, line 33, delete "(a)".
2 Page 7, delete lines 37 through 42.
3 Page 8, delete lines 1 through 4, begin a new paragraph and insert:
4 **"Sec. 25.5. Notwithstanding any provision to the contrary,**
5 **sections 22 and 23 of this chapter do not apply to indirect holdings**
6 **in actively managed investment funds. However, if a fund has**
7 **indirect holdings in actively managed investment funds containing**
8 **the securities of scrutinized companies with active business**
9 **operations, the fund shall submit letters to the managers of the**
10 **investment funds requesting that the managers remove the**
11 **scrutinized companies with active business operations from the**
12 **fund or create a similar actively managed fund with indirect**
13 **holdings without scrutinized companies with active business**
14 **operations. If the manager creates a similar fund, the fund shall**
15 **replace all applicable investments with investments in the similar**
16 **fund in a period consistent with prudent investing standards."**
 (Reference is to HB 1547 as introduced.)

and when so amended that said bill do pass.

Representative Niezgodski